

# BILL SUMMARY

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February 2015

## **The U.S.- Israel Trade & Commercial Enhancement Act (H.R. 825)**

The U.S.-Israel Trade & Commercial Enhancement Act seeks to combat the rising international tide of Boycott, Divestment and Sanctions (BDS) actions against Israel. Introduced by Reps. Peter Roskam (R-IL) and Juan Vargas (D-CA), the legislation puts the United States firmly on record opposing BDS actions. It takes on perhaps the most dangerous element of the international BDS campaign – deliberate efforts by European nations and international institutions to target Israel economically for political reasons. The legislation seeks to leverage the United States' economic weight to counter this element of BDS.

### **Key Provisions**

#### **Promotes Strengthening U.S.-Israel Economic Ties**

- Promotes a strong U.S.-Israel economic relationship and enhanced investment as the most effective tools to combat BDS actions;

#### **Opposes Efforts to Economically Harm Israel**

- Establishes as policy U.S. opposition to acts of boycott, divestment and sanctions against Israel and highlights that these actions, when led by governments, are contrary to their commitments under the World Trade Organization;

#### **Leverages the U.S. Economy to Roll Back BDS**

- Establishes firm objectives for U.S. free trade negotiations with the European Union, including that the EU cease activities that could harm U.S.-Israel commerce and eliminate any politically-inspired barriers to trade with Israel;
- Requires the U.S. Trade Representative to seek the complete elimination of enforcement of the Arab League Boycott of Israel in free trade negotiations with other countries;

#### **Highlights BDS Activity**

- Instructs the president to report annually on foreign trade-related BDS activities, including by foreign governments and international institutions. Requires the president to detail U.S. steps to combat such actions and the results of those efforts;
  - Requires foreign companies traded on U.S. exchanges to file quarterly with the Securities and Exchange Commission (SEC). Companies will need to note whether they participated in a political boycott of Israel, whether they have received any requests to participate in such a boycott, or whether the company believes that it is being penalized for work in Israel or any territory Israel controls;
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## **Protects American Companies**

- Defends American entities performing legal business operations in Israel from foreign court rulings which determine that operating in Israel or territories under its control is, in and of itself, a violation of international law and subject to penalty;

## **Safeguards First Amendment Protections**

- Builds on strong precedent for utilizing free trade negotiations to press potential trading partners to cease harmful, anti-Israel actions. The bill would in no way infringe on protected freedoms such as speech and assembly;
- Targets the most materially harmful element of BDS: state or international institution-led actions that make ordinary business with Israel more difficult or liable to sanctions, civil or criminal penalty.



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